

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE **X** WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.DATE FILED **5-4-92**

LAND: FEE & PATENTED STATE LEASE NO.

PUBLIC LEASE NO. **U-01393-B**

INDIAN

DRILLING APPROVED: **5-6-92**

SPUDDED IN:

COMPLETED: **LAD 8-30-93** PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: **LAD Per BLM EFF. 8-30-93**FIELD: **NATURAL BUTTES**UNIT: **NATURAL BUTTES**COUNTY: **UINTAH**WELL NO. **NBU 345-4E**API NO. **43-047-32238**LOCATION **911' FSL** FT. FROM (N) (S) LINE,**662' FWL**

FT. FROM (E) (W) LINE.

SW SW

1/4 — 1/4 SEC.

4

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

10S**21E****4****ENRON OIL & GAS COMPANY**

ENRON

Oil & Gas Company

1801 California Street, Suite 3400, Denver, Colorado 80202 (303) 293-2525

January 17, 1992

Utah State Office
Bureau of Land Management
P.O. Box 45155
Salt Lake City, Utah 84145-0155

Attention: Mr. Robert A. Henricks
Chief, Branch of Fluid Minerals

RECEIVED

JAN 22 1992

DIVISION OF
OIL GAS & MINING

RE: Designations of Agent
NBU 303-6E, 306-18E, 310-24E, 311-23E,
314-3E, 316-17E, 328-13E, 329-29E,
330-29E, 333-2E, 334-3E, 335-23E,
336-24E, 337-24E, 338-24E, 339-19E,
340-20E, 341-29E, 342-35E, 343-36E,
344-12E, 345-4E, 346-5E, 347-8E,
348-9E, 312-2E
Uintah County, Utah
Natural Buttes Prospect
1540-AA29, 1540-AA41, 0050612-000,
0050615-000, 0050621-000, 0050622-000,
0050623-000, 0050627-000, 0050628-000,
0050630-000, 0050632-000, 0050637-000,
0050638-000, 0050642-000, 0050686-000,
0050691-000, 0050692-000

Gentlemen:

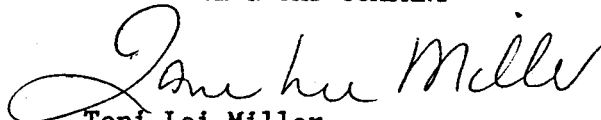
Enclosed, for your approval, are three (3) copies of a blanket Designation of Agent pertaining to Enron Oil & Gas Company's proposed twenty-six (26) wells listed on Exhibit "A" thereto. All copies have been originally executed on behalf of Coastal Oil & Gas Corporation.

When approved, please forward the approved Designation of Agent to my attention at the letterhead address.

If anything further is needed in connection with this matter, please contact the undersigned at the telephone number listed in the letterhead.

Yours very truly,

ENRON OIL & GAS COMPANY


Toni Lei Miller
Project Landman

TLM/dac
9548T/Enclosure

cc: Vernal District, BLM (with copy of enclosure)
Division of Oil, Gas & Mining, Attn: Ms. Tami Searing
(with copy of enclosure)
Jim Schaefer - Big Piney (with copy of enclosure)
George R. McBride - Vernal (with copy of enclosure)
Coastal Oil & Gas Corporation, Attn: Mr. Donald H. Spicer
(with copy of enclosure)

DESIGNATION OF AGENT

Robert A. Henricks
Chief, Branch of Fluid Minerals

The undersigned is, on the records of the Bureau of Land Management Unit Operator under the Natural Buttes Unit Agreement, Uintah County, Utah, No. 14-08-00018900 approved January 5, 1968, and hereby designates:

NAME: Enron Oil & Gas Company

ADDRESS: P. O. Box 1815
Vernal, Utah 84078

as its agent, with full authority to act in its behalf in complying with the terms of the unit agreement and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to drilling, testing, and completing the unit wells listed on the attached Exhibit "A" which are located in Uintah County, Utah.

This designation of agent does not relieve the Unit Operator of responsibility for compliance with the terms of the unit agreement. It is also understood that this designation of agent does not constitute an assignment of any interest under the unit agreement or any lease committed thereto.

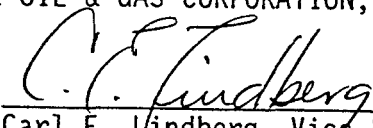
The designated agent will be responsible for compliance with the Oil and Gas Operating Regulations as they relate to the drilling, testing, and completing of each of the subject wells. In accordance with 3104.2, bonding shall be provided by Enron Oil & Gas Company, Bond No. 81307603.

This designation of agent is deemed to be temporary and in no manner a permanent arrangement.

This designation is given only to enable the agent herein designated to drill the above specified unit well. Unless sooner terminated, this designation shall terminate as to each well when there is filed in the appropriate district office of the Bureau of Land Management a completed file of all required Federal reports pertaining to that well. At which time the Unit Operator shall assume all liability of that well and bonding shall be provided by the Unit Operator or as otherwise arranged by the unit agreement. It is also understood that this designation of agent is limited to field operations and does not cover administrative actions requiring specific authorization of the Unit Operator.

COASTAL OIL & GAS CORPORATION, Unit Operator

By:


Carl E. Lindberg, Vice President

Date: December 16, 1991



EXHIBIT "A"

Attached to and made a part of that certain Designation of Agent dated December 16, 1991, from Coastal Oil & Gas Corporation.

WELL NAME	LOCATION			
	DIV.	SEC	TWP	RGE
NBU 303-6E	SESW	6	10	21
NBU 306-18E	NESW	18	9	21
NBU 310-24E	SWNE	24	9	21
NBU 311-23E	SWSE	23	9	21
NBU 314-3E	SESW	3	9	21
NBU 316-17E	SWNW	17	9	21
NBU 328-13E	NESW	13	10	20
NBU 329-29E	SENE	29	9	22
NBU 330-29E	SENW	29	9	21
NBU 333-2E	NESW	2	9	21
NBU 334-3E	NESE	3	9	21
NBU 335-23E	SENE	23	9	21
NBU 336-24E	SENW	24	9	21
NBU 337-24E	NESW	24	9	21
NBU 338-24E	NENE	24	9	21
NBU 339-19E	NWSW	19	9	22
NBU 340-20E	NWSE	20	9	22
NBU 341-29E	SESE	29	9	22
NBU 342-35E	NENW	35	9	22
NBU 343-36E	SENW	36	9	22
NBU 344-12E	NWNE	12	10	20
NBU 345-4E	SWSW	4	10	21
NBU 346-5E	NWSE	5	10	21
NBU 347-8E	NESW	8	10	21
NBU 348-9E	NWNW	9	10	21
NBU 312-2E	SWSE	2	9	21

ENRON

OIL & GAS COMPANY

P.O. BOX 1815, VERNAL, UTAH 84078 (801)789-0790

February 21, 1992

Bureau of Land Management
Vernal District
170 South 500 East
Vernal, Utah 84078

RE: NOTICE OF STAKING
NATURAL BUTTES UNIT 345-4E
Sec. 4, T10S, R21E
Uintah County, Utah
Lease No. U-01393-B

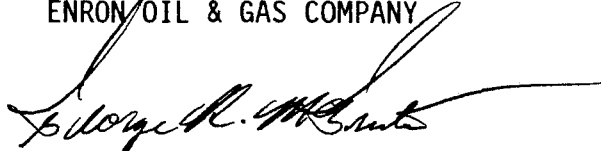
43-047-30038

Dear Mr. Forsman:

Attached is a Notice of Staking on the subject well.

If you require further information, please contact this office.

Very truly yours,
ENRON OIL & GAS COMPANY



George McBride
Sr. Production Foreman

Attachment

cc: Division of Oil Gas & Mining
Doug Weaver/Toni Miller
Darrell Zlomke
File

/lw
NOSLTR

RECEIVED

MAR 04 1992

DIVISION OF
OIL GAS & MINING

NOTICE OF STAKING (Not to be used in place of Application to Drill Form 9-331-C)		RMOGA 5/5/82	5. Lease Number U-01393-B
1. Oil Well Gas Well X Other			6. If Indian, Allottee or Tribe Name Federal
2. Name of Operator Enron Oil & Gas Company			7. Unit Agreement Name Natural Buttes Unit
3. Address of Operator or Agent P. O. Box 1815, Vernal, Utah 84078			8. Farm or Lease Name Natural Buttes Unit
4. Surface Location of Well (Governmental 1/4 or 1/4 1/4) 911' FSL & 663' FWL SW/SW			9. Well No. 345-4E
Attach: Topographical or other acceptable map Showing location, access road, and lease boundaries			10. Field or Wildcat Name NBU/Wasatch
14. Formation Objective(s) Wasatch		15. Estimated Well Depth 7400'	11. Sec., T., R., M., or Blk and Survey or Area Sec. 4, T10S, R21E
			12. County or Parish 13. State Uintah Utah
16. To Be Completed by Operator Prior to Onsite a. Location must staked - Completed b. Access Road Flagged - Completed c. Sketch and/or map of location, showing road, pad dimensions, reserve pit, cuts, and fills (To be provided at onsite)			
17. To Be Considered By Operators Prior to Onsite a. H2S Potential - NA b. Private Surface Ownership - NA c. Cultural Resources (Archaeology) - Completed d. Federal Right of Way			
18. Additional Information			

19. Signed Luisa L. White Title Sr. Admin. Clerk

Date 02/21/92

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MAR 04 1992

DIVISION OF
OIL GAS & MINING

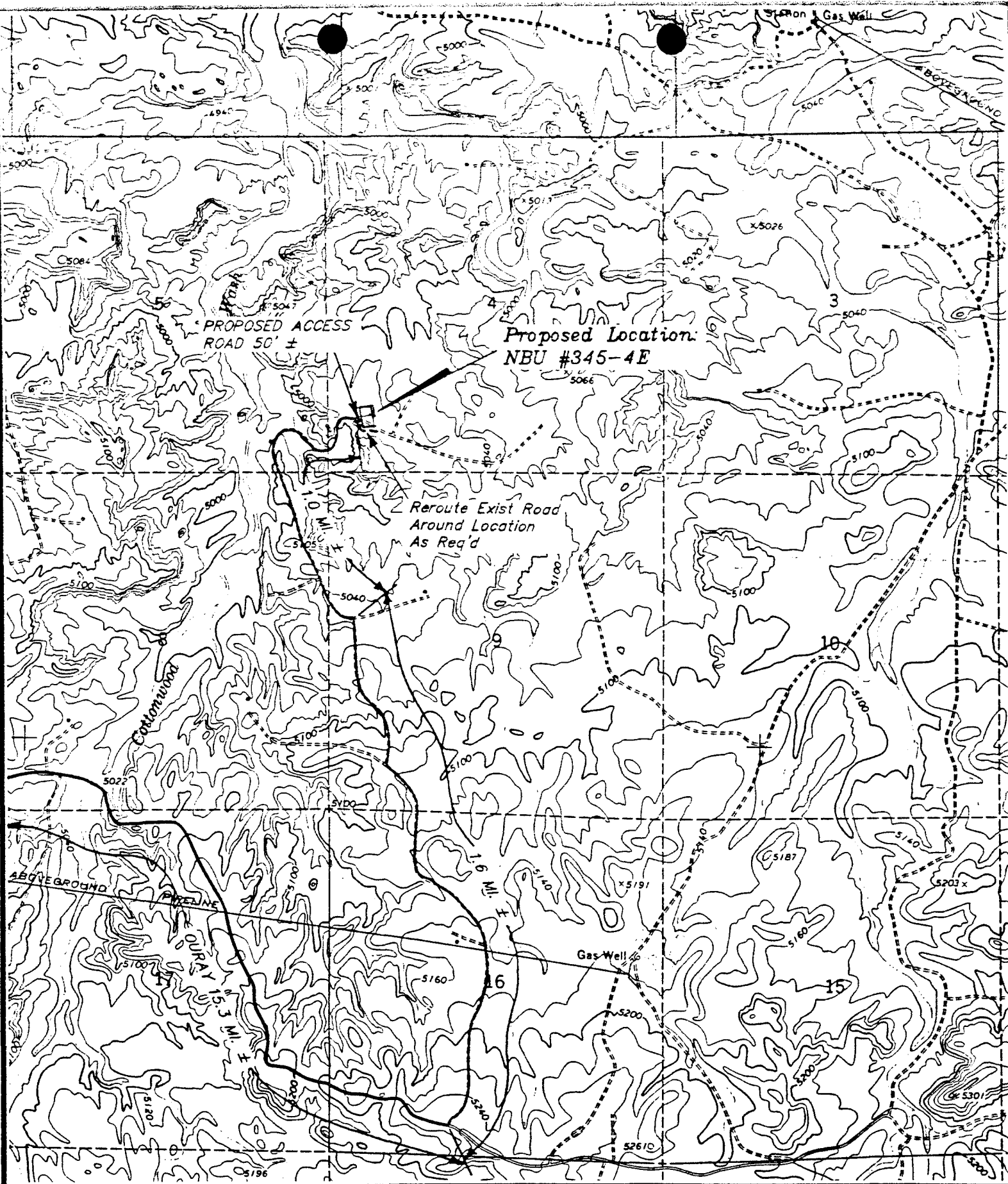
TOPOGRAPHIC
MAP "B"

SCALE: 1" = 2000'
DATE 12-11-91 MDA



ENRON OIL & GAS CO.

NBU #345-4E
SECTION 4, T10S, R21E, S.L.B.&M.



ENRON

OIL & GAS COMPANY

P.O. BOX 1815, VERNAL, UTAH 84078 (801)789-0790

April 13, 1992

Bureau of Land Management
Vernal District
170 South 500 East
Vernal, Utah 84078

RE: APPLICATION FOR PERMIT TO DRILL
NATURAL BUTTES UNIT 345-4E
SECTION 4, T10S, R21E
UINTAH COUNTY, UTAH
LEASE NO. U-01393-B

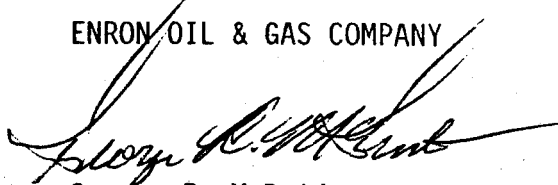
Dear Mr. Forsman:

Enclosed are the original and two (2) copies of the Application for Permit to Drill and associated attachments for the referenced well.

If further information is required regarding this matter, please contact this office.

Sincerely,

ENRON OIL & GAS COMPANY



George R. McBride
Sr. Production Foreman

Attachments

cc: State Division of Oil, Gas & Mining
D. Weaver/T. Miller
Suzanne Saldivar
File

RECEIVED

MAY 04 1992

**DIVISION OF
OIL GAS & MINING**

/lw

NBU345-4EAPD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Enron Oil & Gas Company

3. ADDRESS OF OPERATOR

P.o. Box 1815, Vernal, Utah 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

622' FWL & 911' FSL SW/SW

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

17.90 Miles Southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)

622'±

16. NO. OF ACRES IN LEASE

649.36±

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

906'±

19. PROPOSED DEPTH

6650' JSTC

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5032' GR

22. APPROX. DATE WORK WILL START*

July 15, 1992

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	32.3#	240'	125 sx Class "G" & 2% CaC12 + 1/2 #/sx celloflake. 50/50 Pozmix + 2% gel + 10% salt to 400' above all zones of interest (+ 10% excess). Light cement (11 PPG±) + LCM to 200' above oil shale or fresh water intervals (+5% excess).
7 7/8"	4 1/2"	10.5#	6650'	

SEE ATTACHMENTS FOR:

8 Point Plan
Drilling Program
BOP Schematic
Surface Use and Operating Plan
Location Plat
Location Layout
Topographic Maps "A", "B", and "C"

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MAY 04 1992

DIVISION OF
OIL GAS & MINING

Enron Oil and Gas Company will be the
designated operator of the subject
well under Nation Wide Bond #81307603.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Linda L. White

TITLE

Sr. Admin. Clerk

DATE

3/30/92

(This space for Federal or State office use)

PERMIT NO.

43-047-300238

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE:

5-6-92

BY:

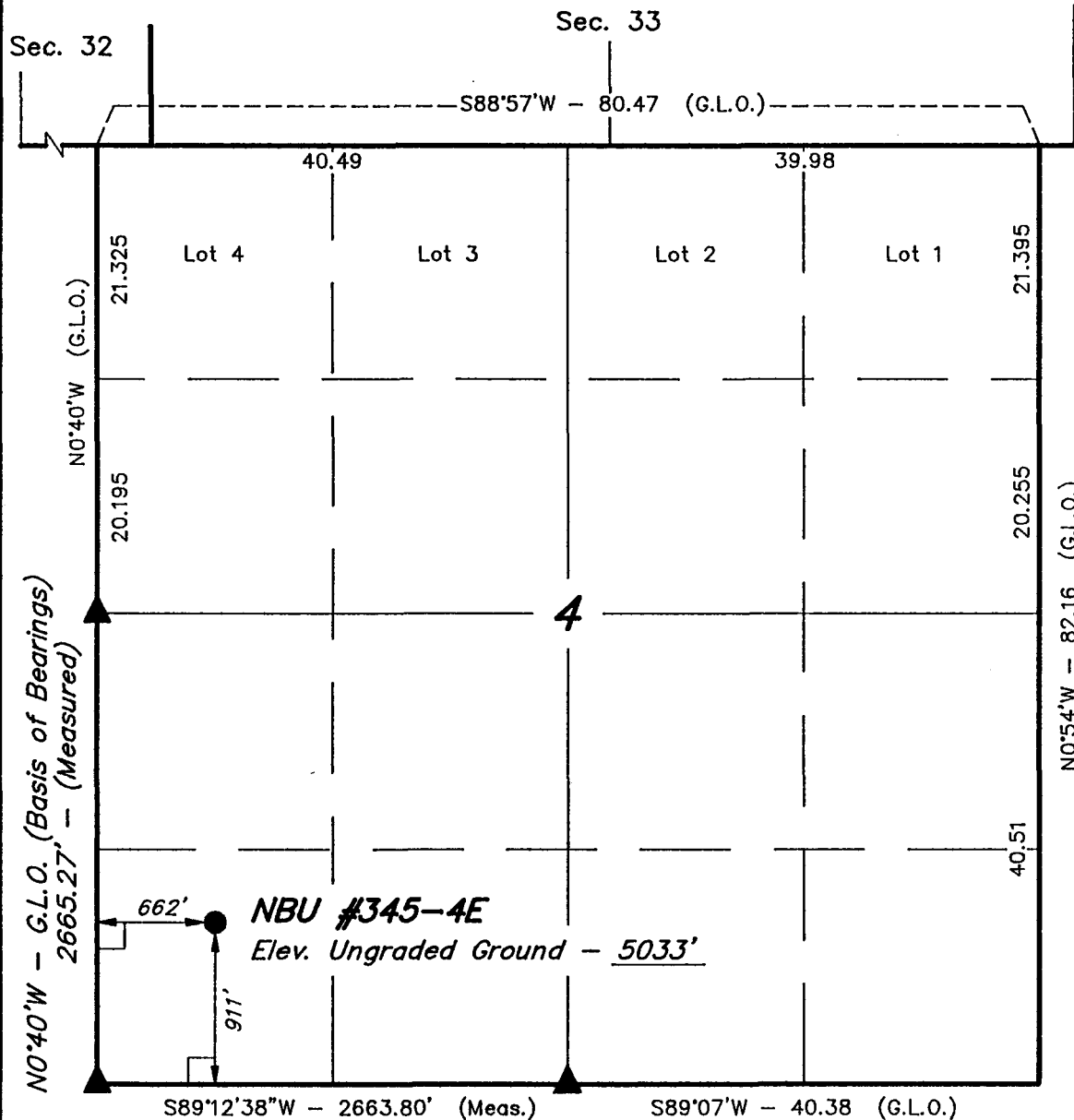
[Signature]

WELL SPACING: 649-2-3

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T10S, R21E, S.L.B.&M.



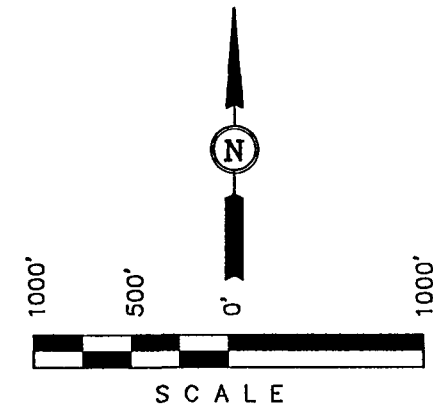
▲ = SECTION CORNERS LOCATED. (Brass Caps)

ENRON OIL & GAS CO.

Well location, NBU #345-4E, located as shown in the SW 1/4 SW 1/4 of Section 4, T10S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

No. 5709

REGISTERED LAND SURVEYOR

REGISTRATION NO. 5709

STATE OF UTAH

Revised: 3-27-92 T.D.H.

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH - 200 EAST

VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 12-11-91
PARTY D.A. K.L. MDA	REFERENCES G.L.O. PLAT
WEATHER COLD	FILE ENRON OIL & GAS CO.

EIGHT POINT PLAN

NATURAL BUTTES UNIT 345-4E

SECTION 4, T10S, R21E

UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS & WATER ZONES:

FORMATIONS	DEPTH	TYPE ZONES	MAXIMUM PRESSURE
Green River			
Oil Shale	1,299'		
"H" Marker	2,933'		
"J" Marker	3,599'		
Base "M" Marker	4,209'		
Wasatch			
Peters Point	4,632	Gas	2,100 PSI
Chapita Wells	5,162	Gas	2,300 PSI
Buck Canyon	5,722	Gas	2,600 PSI
Island	6,645		
EST. TD	6,650'	Anticipated BHP	3,000 PSI

All depths are based on estimated KB elevation 5,045'. Maximum pressure estimates are based on bottom hole pressures measured on offset or near vicinity wells to the subject well.

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>MINIMUM SAFETY FACTOR</u>		
						<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12 1/4"	0' -240'	240'	9 5/8"	32.3#	H-40 ST&C	1400 PSI	2270 PSI	254,000#
7 7/8"	0' -6650'	6650'	4 1/2"	10.5#	J-55 ST&C	4010 PSI	4790 PSI	146,000#

All casing to be used will be new or inspected.

EIGHT POINT PLAN

NATURAL BUTTES UNIT 345-4E

PAGE NO. 2

5. MUD PROGRAM:

INTERVAL

0' - 240'
200' - 4000'
4000' - TD

MUD TYPE

Air
Air/Mist & Aerated Water
Aerated 3% KCl water

Severe lost circulation probable from 1000' to 3000'.
Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. EVALUATION PROGRAM:

Logs: Dual Laterolog/GR From base of surface casing to TD.
FDC-CNL/GR/Caliper TD to 2850'.
Linear 2" DLL.

Cores: None Programmed.
DST' : None Programmed.

Completion: To be submitted at a later date.

7. ABNORMAL CONDITIONS:

None anticipated.

8. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

Attachment: BOP Schematic Diagram

RECEIVED

MAY 04 1992

DIVISION OF
OIL GAS & MINING

CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Enron Oil & Gas Company
Well Name & Number: Natural Buttes Unit 345-4E
Lease Number: U-01393-B
Location: 662' FWL & 911' FSL SW/SW Sec. 4 T.10S R. 21E
Surface Ownership: Federal Lands - BLM

NOTIFICATION REQUIREMENTS

- Location Construction - forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well.
- Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.
- First Production Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing road.
- B. The proposed well site is located approximately 17.90 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be 1.0 mile in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade on access road will be 5%.
- D. No turn outs will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges or major cuts & fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards or fences will be required or encountered.

New or reconstructed roads will be centerline - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards For Oil & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossing shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

No Right-of-Way applications will be required.

As operator Enron Oil & Gas Company shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION

- A. Water wells - None.
- B. Abandoned wells - None
- C. Temporarily abandoned wells - None
- D. Disposal wells - None
- E. Drilling wells - None
- F. Producing wells - Eleven - See attached TOPO Map "C" for location of producing wells.
- G. Shut in wells - None
- H. Injection wells - None

4. LOCATION OF EXISTING/AND OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Tank batteries - None
- 2. Production facilities will be set on location if well is successfully completed for production. Facilities will consist of well head & valves, separator, dehy, 210 BBl condensate tank, meter house and attaching piping. See attached facility diagram.
- 3. Oil gathering lines - None
- 4. A 3 1/2" gathering line will be buried from dehy to north west edge of location.
- 5. Injection lines - None
- 6. Disposal lines - None
- 7. Surface pits - None

B. OFF WELL PAD

- 1. Proposed location of attendant off pad gas flowlines shall be flagged prior to archaeological clearance.
- 2. A 4 1/2" OD steel above ground natural gas pipeline will be laid approximately 900' from proposed location to a point in the NE/SW of Sec. 4, T10S, R21E where it will tie into CIGE'S existing line. Proposed pipeline crosses BLM administered lands within the Chapita Wells Unit, thus no Right-of-Way grant will be required. See attached Exhibit A showing pipeline route.
- 3. Proposed gas gathering pipeline will be a 4 1/2" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

The production facilities will be placed on the west side of location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities required will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Brine Plant at Ouray, Utah, and/or Target Trucking Inc.s' water source in the SW/SW Sec. 35, T9S, R22E, Uintah County, Utah (State water right #49-1501).
- B. Water will be hauled by Target Trucking Inc.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
- 4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 days period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on drilling rig to avoid leakage of oil to pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to reserve pit will be avoided by flaring them off in flare pit at time of recovery.

Burning will not be allowed. all trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. The reserve pit will be inspected by the BLM prior to filling to determine if a liner will be required.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELL SITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills & cross sections.
B. Refer to attached well site plat for rig layout and soil material stockpile location as approve on On-site.
C. Refer to attached well site plat for rig orientation parking areas, and access road.

The reserve pit will be located on the northeast side of location.

The flare pit will be located downwind of the prevailing wind direction on the northeast side of location a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil will be stored on the north end of location.

Access to the well pad will be from the west.

- NA Diversion ditch(es) shall be construct on the _____ side of the location (above/below) the cut slope, draining to the _____
NA Soil compacted earthen berm(s) shall be placed on the _____ side(s) of the location between the _____
NA The drainage(s) shall be diverted around the side(s) of the well pad location.
NA The reserve pit and/or pad locations shall be constructed long and narrow for topographic reasons _____.

NA The _____ corner of the well pad will be rounded off to avoid the _____.

FENCING REQUIREMENTS

All pits will be fenced according to the following minimum standards:

- A. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total eight of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16'.
- E. All wire shall be stretched by using a stretching device before is be attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly travelled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on federal land, or any fence between federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 12 months from the date of well completion. Before any dirt work takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc., will be removed.

Contact appropriate surface management agency for required seed mixture.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal
Location: Federal

12. OTHER INFORMATION

- A. Enron Oil & Gas Company will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used.

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

-if the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guideline for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator Enron Oil & Gas Company will control noxious weeds along Right-of-Ways for roads, pipelines, well sites or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for for stacking and storing drilling rigs.)

Additional Surface Stipulations

- ____ No construction or drilling activities shall be conducted between May 15 and June 20 because of antelope kidding.
- NA No surface occupancy will be allowed within 1,000 feet of any sage grouse strutting ground.
- NA No construction or exploration activities are permitted within 1.5 mile radius of sage grouse strutting grounds from April 1 to June 30.
- NA There shall be no surface disturbance within 600 feet of live water (includes stock tanks, springs, and guzzlers).
- NA No cottonwood trees will be removed or damaged.
- NA Pond will be constructed according to BLM specifications approximately _____ ft. _____ of the location, as flagged on onsite.

LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Enron Oil and Gas Company
P.O. Box 1815
Vernal, Utah 84078
George McBride
Telephone: (801) 789-0790

Enron Oil and Gas Company
P.O. Box 250
Big Piney, Wyoming
Jim Schaefer
Telephone: (307) 276-3331

All lease/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. Enron Oil & Gas Company is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities

The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the Plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed here in will be performed by ENRON OIL & GAS COMPANY and its contractors and sub-contractors in conformity with this Plan and the terms and conditions under which it is approved.

4/13/92
DATE

George R. McBride
GEORGE R. MCBRIDE
SR. PRODUCTION FOREMAN

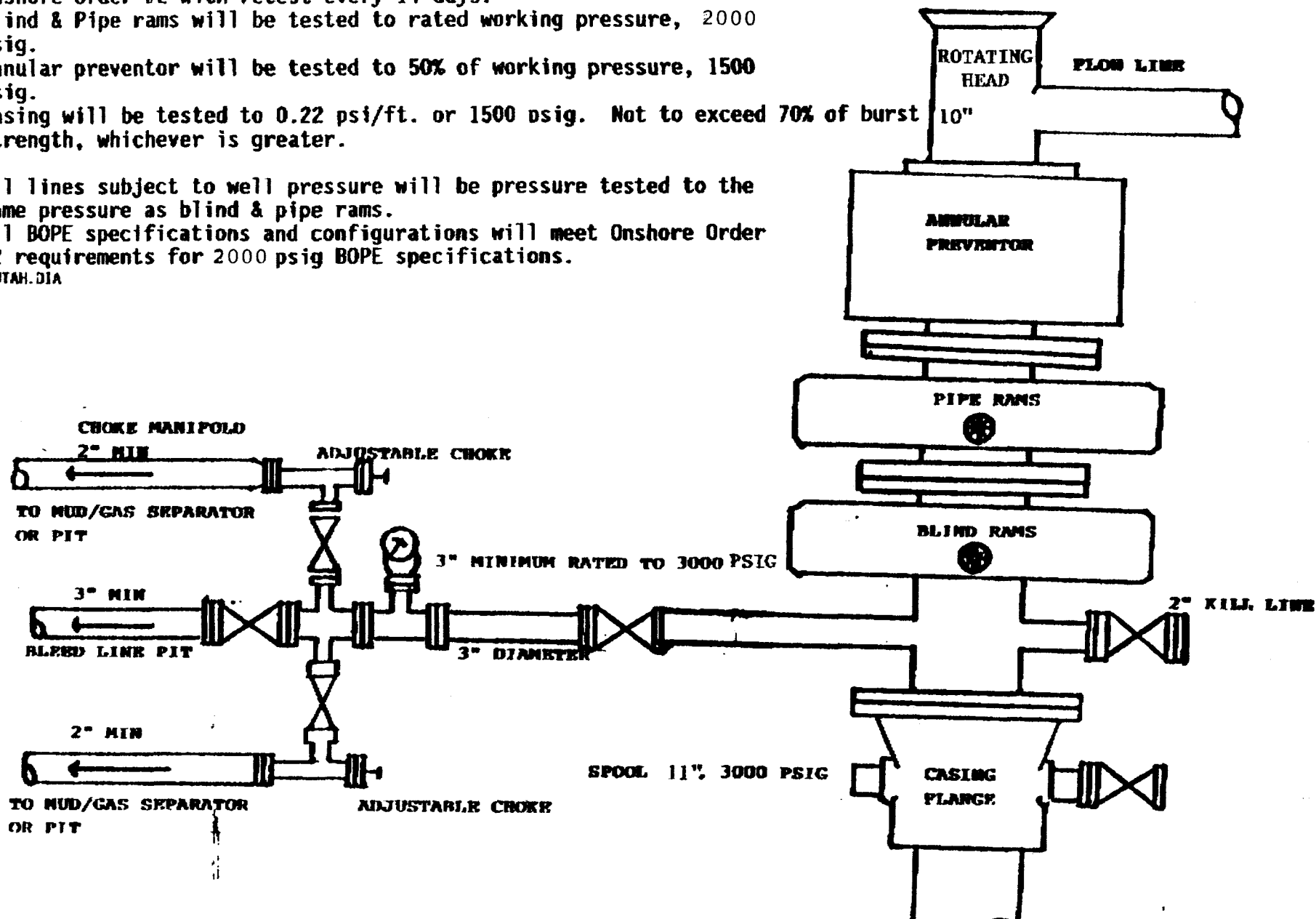
2000 PSIG BOP DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED.
CASING FLANGE IS 11" 3000 PSIG RATED.
BOPE 11" 2000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 2000 psig.
3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 2000 psig BOPE specifications.

H:\DOC\BOPUTAH.DIA



CINCO
Oil & Gas Company

DRILLING PROGRAM

Date: March 18, 1992

REVISION NO. & DATE: _____

PROSPECT: NATURAL BUTTES UNIT LEASE: U-01393B (0050637-000)

WELL NAME & NUMBER: Natural Buttes Unit 345-4E

WELL CLASSIFICATION: DW-GAS ANTICIPATED PRODUCTION: OIL _____ GAS X OTHER _____
TGS X

LOCATION CALL: 911' FSL & 663' FWL (SW SW)
Section 4, T10S, R21E
Uintah County, Utah

ELEVATION: 5030' GL, 5042' KB (estimated)

DIRECTION LIMITATIONS: Maximum deviation for the hole will be 6" w/no more
than a 1"/100' dogleg severity. See page number 4 for distance between
surveys.

TYPE RIG: Land Rotary APPROVED DEPTH: 6650' PERMIT DEPTH: 6650'

CONDUCTOR NEEDED? No If yes, size & how set: _____

CRITERIA FOR DETERMINING CASING SEAT FOR CRITICAL STRINGS: WOC overnight
before cutting off surface casing to weld on head.

CENTRALIZERS (DEPTH & TYPE):

Surface - One 5-10' above shoe & top of first, second & fourth joint.

Production - One @ middle of 1st jt & every third collar to 4600'±.

WELL NAME: Natural Buttes Unit 345-4F

STAGE COLLARS, BASKETS, OTHER SPECIAL EQUIPMENT:

Surface - Guide shoeProduction - Guide shoe and differential fill float collar with top plug.

Marker joints @ 3000'± and 5000'±.

PUMPING RATES/SPECIAL INSTRUCTIONS: Circulate casing two hours prior to cementing. Reciprocate casing.LOGGING PROGRAM: DLL/GR from TD to base of surface casing.FDC/CNL/GR/caliper from TD to 100' above Green River "H" Marker.Continue caliper to desired top of cement.CORES: None are anticipated.SAMPLES: Collect 30' samples from below surface casing to 4100'±. Collect 10' samples from 4100'± to TD.FORMATION TESTS: None are anticipated.MUD LOGGING: (Includes services & depth): From 4100'± to TD.

DETECTION & CONTROL EQUIPMENT: 10" 2000 psig BOP with blind and pipe rams.
10" Annular Preventor. 10" rotating head. Test manifold & BOP's to 2000 psig.
annular preventor to 1500 psig, surface casing to 1500 psig.
Use certified pressure testing service company and leave a copy of the
test chart in the doghouse until rig down.

COMPLETION PROGRAM: To be submitted at a later date.OTHER SERVICES: None are anticipated.

WELL NAME: Natural Buttes Unit 345-4FFORMATION TOPS & DEPTHS (TENTATIVE)

FORMATION NAME & TYPE	ESTIMATED DEPTH (EL)	DATUM	THICKNESS & REMARKS
-----------------------	----------------------	-------	---------------------

See attached Prognosis.

X-MAS TREE: 10" 3000# weld on casing head, 6" 5000# x 10" 3000# tubing
spool, 2-1/16" 5000# master valves.

MUD PROGRAM

DEPTH INTERVAL	MUD WEIGHT	VIS	WL (cc)	TYPE OF MUD
0' to 240'				Air
240' to 4000'				Air/Mist & Aerated Water
4000' to TD				Aerated 3% KCl water

DRILLING HAZARDS & SPECIAL INSTRUCTIONS

Lost circulation from 1500' to 3000'±. Underbalanced circulation system will require rotating head. Potential gas kicks in Green River and Wasatch. Potential shale swelling/sloughing problems. Meter air & add foamer to maximize consistency of returns & maintain stable pit levels. Utilize 10 ppg brine water from centrally located storage tank in Natural Buttes Unit field for well control on trips, if necessary.

DRILLING PROGRAM

WELL NAME: Natural Buttes Unit 345-4E

CEMENT PROGRAM

HOLE SIZE	CASING SIZE	DEPTH	CEMENT PROCEDURE
12 1/4"	9 5/8"	240'	Cement w/110 sx Class "G" cement + 2% CaCl ₂ + 1#/sx celloflake. Circulate gelled water ahead of slurry.
7 7/8"	4 1/2"	6650'	<p>Cover interval from TD to 4200'± w/50/50 Pozmix + 2% gel + 10% salt. Volume to be calculated from caliper log annular volume to 4200' plus 10% excess.</p> <p>Cover interval from 4200'± to depth specified in conditions of approval with light cement plus specified additives. Volume to be calculated from caliper log annular volume from 4200'± to applicable upper depth plus 5% excess.</p> <p>Circulate casing 2 hrs before cementing. Reciprocate casing during cementing. Pump 20 bbls fresh water ahead of slurry.</p>

CASING PROGRAM

INTERVAL				WEIGHT			MINIMUM SAFETY FACTOR		
SIZE	FROM	TO	LENGTH	#/FT.	GRADE	THREAD	COLLAPSE (psig)	BURST (psig)	TENSILE (psig)
9-5/8"	0'	240'	240'	32.3#	H-40	ST&C	1400	2270	254,000
4-1/2"	0'	6650'	6650'	10.5#	J-55	ST&C	4010	4790	146,000

SURVEY SCHEDULE

DEPTH	DISTANCE BETWEEN SURVEYS	MAX DEVIATIONS FROM VERTICAL	MAXIMUM CHANGE DEGREES/100'
0' to 240'	240'	1 degree	1 degree
240' to TD	500' (or as needed)	6 degrees	1 degree

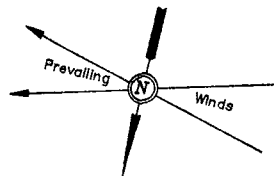
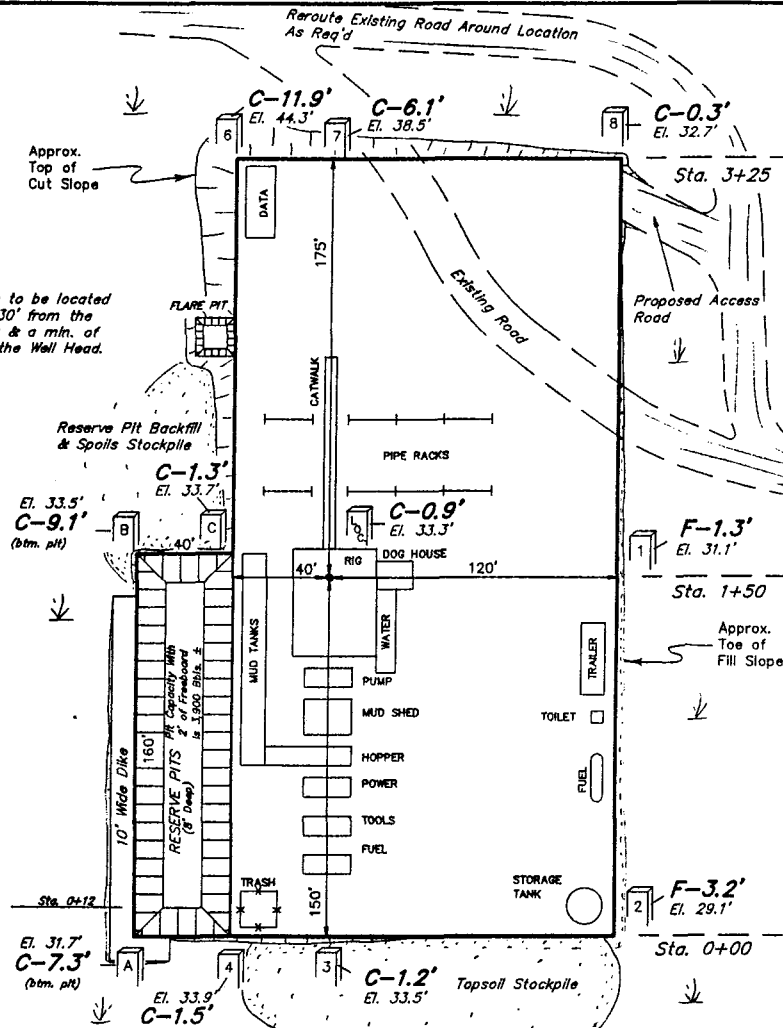
PREPARED BY: Jim R. Schaefer, Sr.
Jim R. Schaefer, Sr. Production Engineer

APPROVED BY: Dennis J. Brabec
Dennis J. Brabec, Drilling Superintendent

APPROVED BY: C. C. Parsons
C. C. Parsons, District Manager

ENRON OIL & GAS CO.
LOCATION LAYOUT FOR
NBU #345-4E
SECTION 4, T10S, R21E, S.L.B.&M.

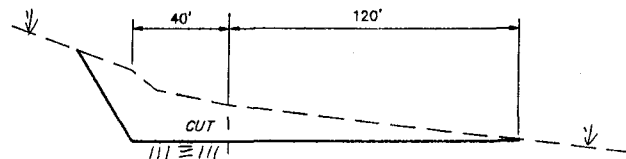
NOTE:
Flare Pit is to be located
a min. of 30' from the
Reserve Pit & a min. of
100' from the Well Head.



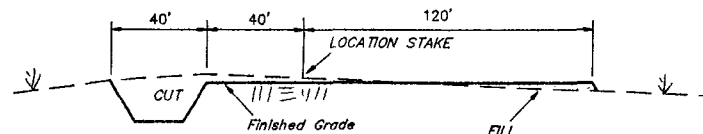
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DATE: 12-12-91
Drawn By: MDA

X-Section
Scale
1" = 50'

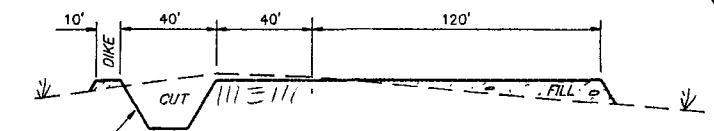
TYP. CROSS SECTIONS
TYP. LOCATION LAYOUT



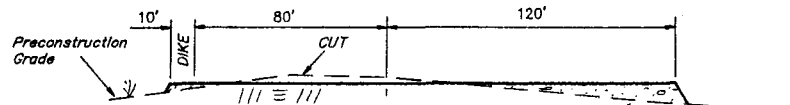
STA. 3+25



STA. 1+50



STA. 0+12



STA. 0+00

APPROXIMATE YARDAGES

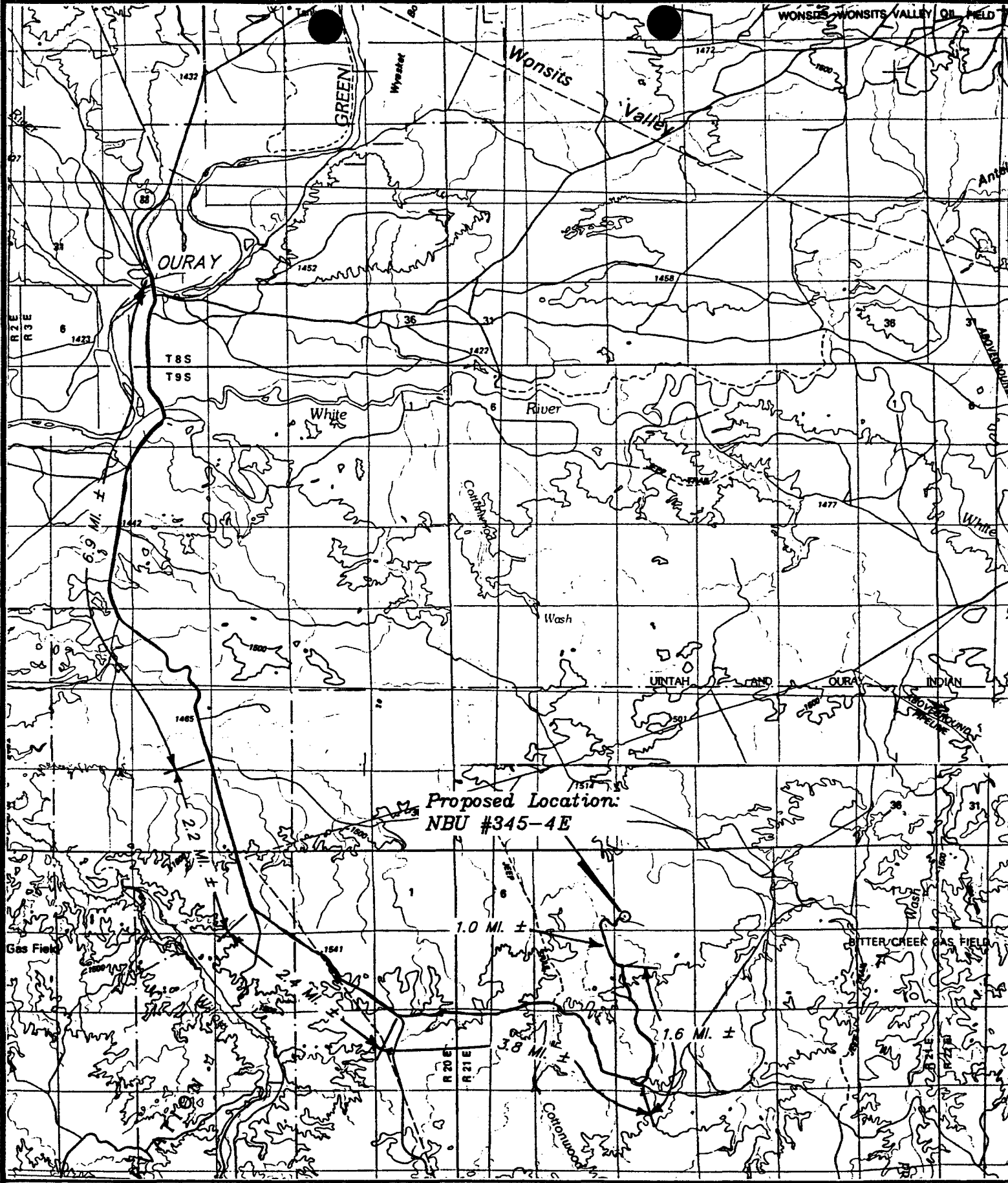
(6") Topsoil Stripping = 1,100 Cu. Yds.
Remaining Location = 3,380 Cu. Yds.
TOTAL CUT = 4,480 CU.YDS.
FILL = 2,620 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 1,720 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 1,720 Cu. Yds.
EXCESS UNBALANCE
(After Rehabilitation) = 0 Cu. Yds.

Elev. Ungraded Ground at Location Stake = 5033.3'

Elev. Graded Ground at Location Stake = 5032.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East Vernal, Utah



TOPOGRAPHIC
MAP "A"

DATE 12-11-91 MDA



ENRON OIL & GAS CO.

NBU #345-4E
SECTION 4, T10S, R21E, S.L.B.&M.



TOPOGRAPHIC

MAP "B"

SCALE: 1" = 2000'

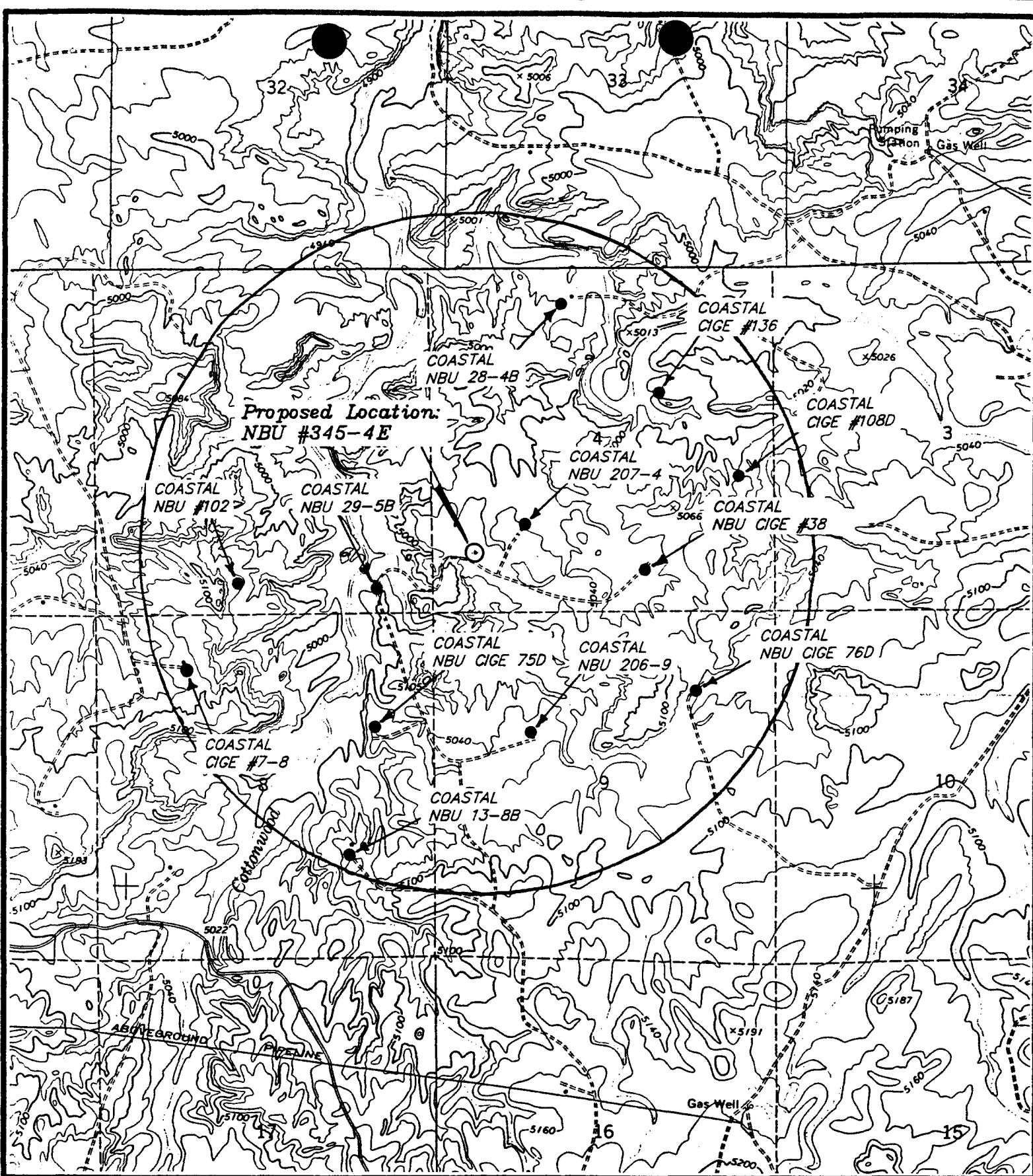
DATE 12-11-91 MDA



ENRON OIL & GAS CO.

NBU #345-4E

SECTION 4, T10S, R21E, S.L.B.&M.



LEGEND:

- ◊ = Water Wells
- ◆ = Abandoned Wells
- = Temporarily Abandoned Wells
- = Disposal Wells
- = Drilling Wells
- = Producing Wells
- ◆ = Shut-in Wells



ENRON OIL & GAS CO.

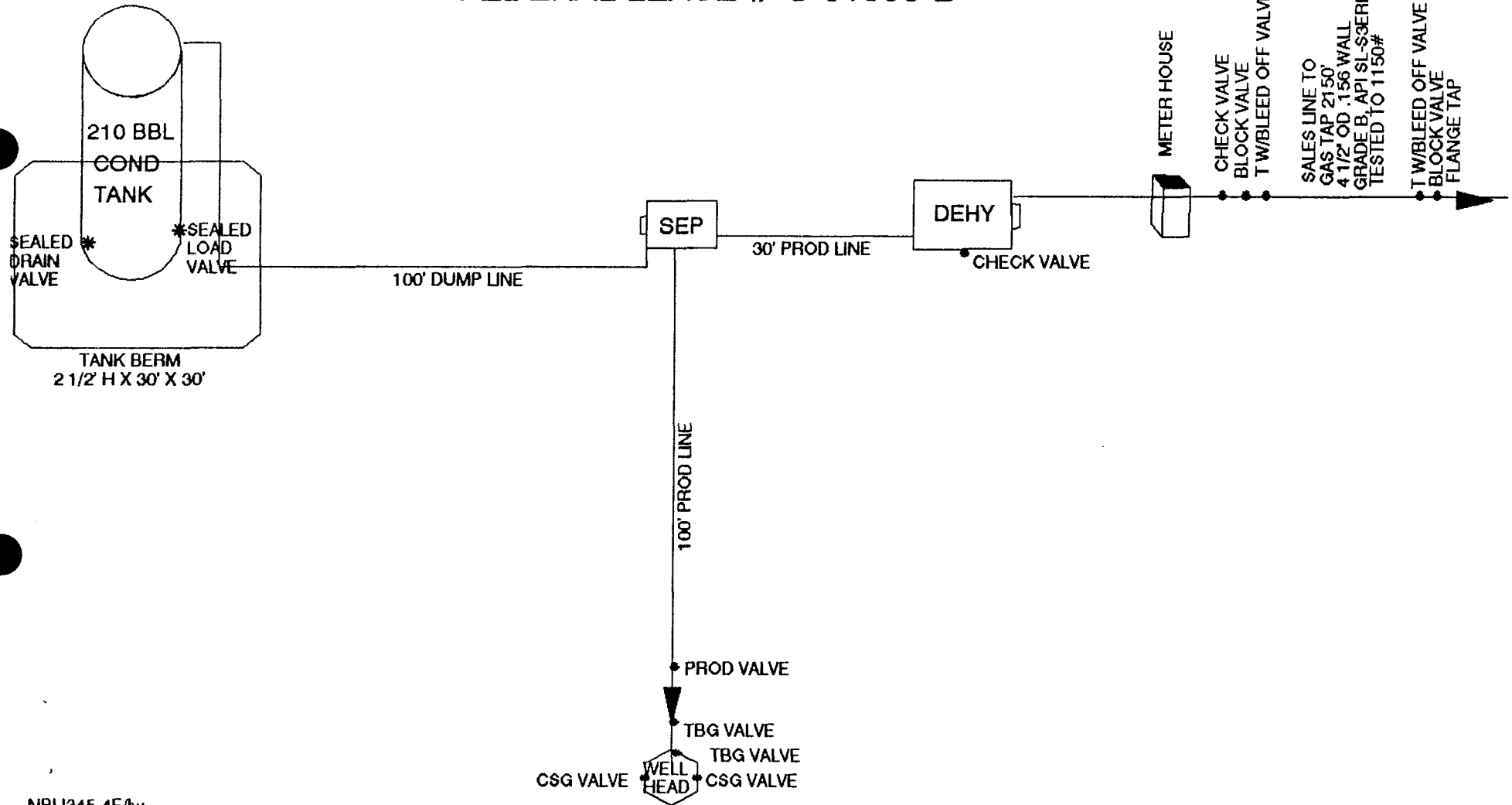
NBU #345-4E

SECTION 4, T10S, R21E, S.L.B.&M.

T O P O M A P " C "

DATE: 12-11-91 MDA

NATURAL BUTTES UNIT 345-4E
SECTION 4, T10S, R21E
UINTAH COUNTY, UTAH
FEDERAL LEASE # U-01393-B



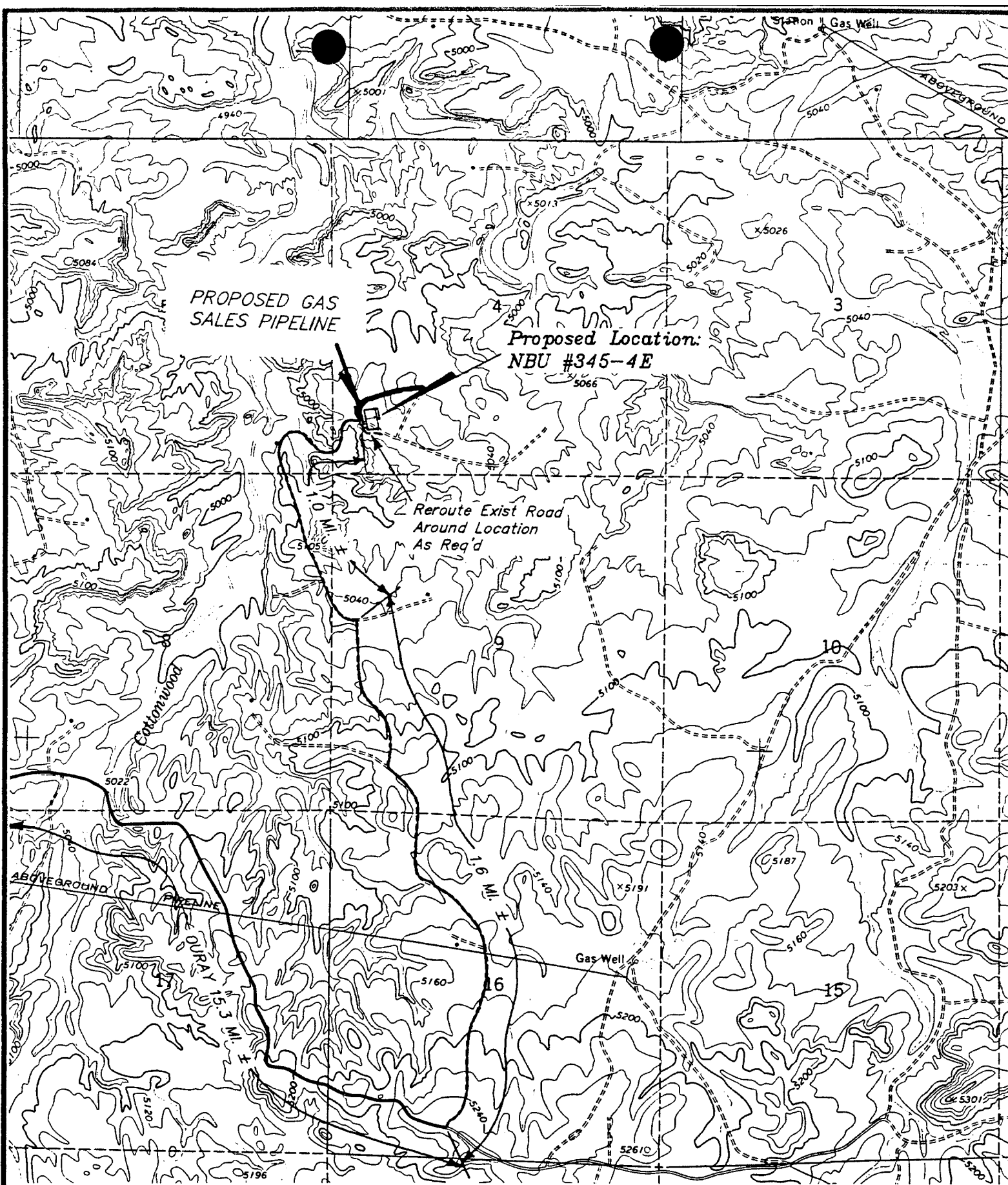


EXHIBIT "A"

GAS SALES PIPELINE

SCALE: 1" = 2000'

DATE 12-11-91 MDA

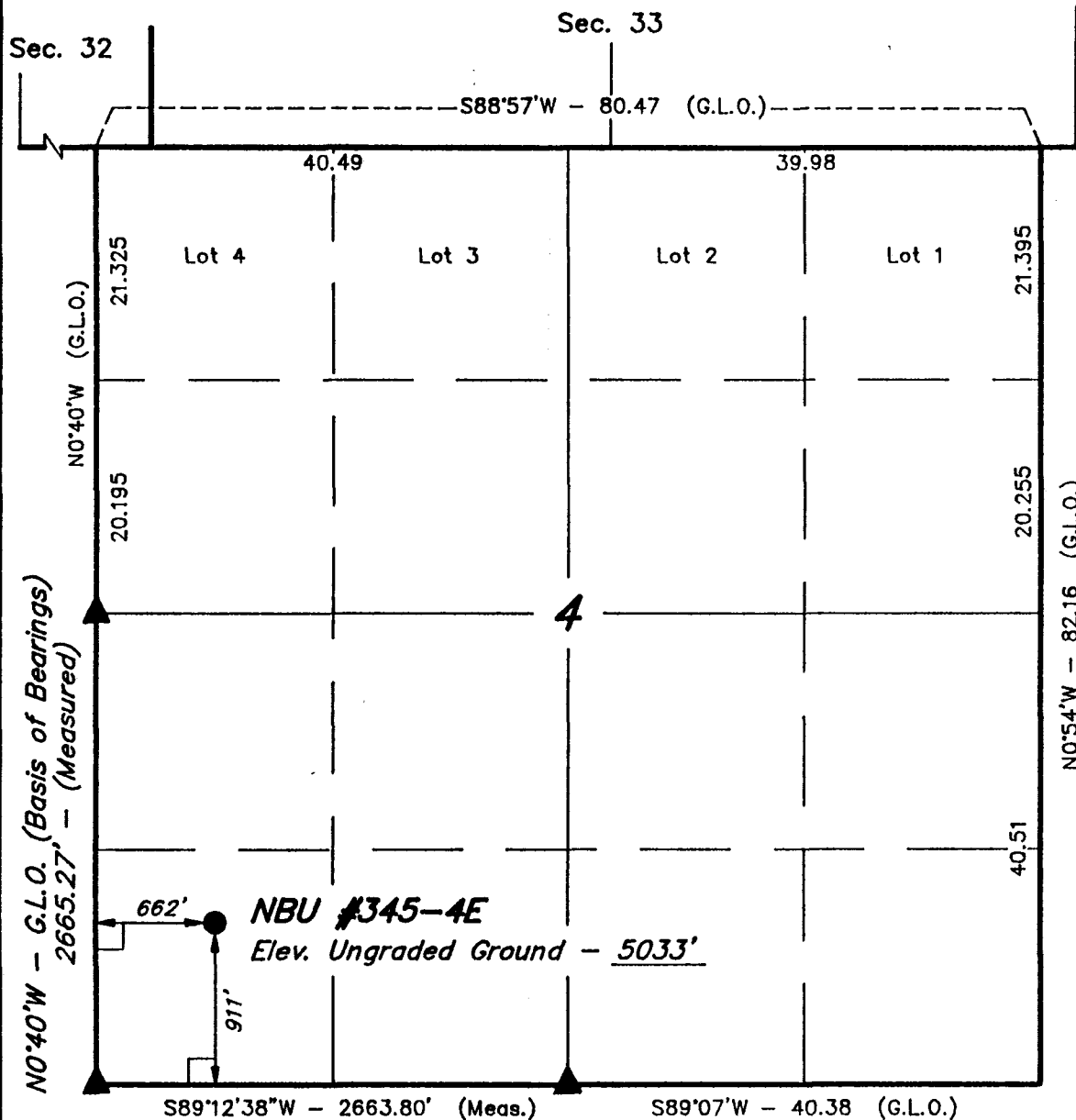


ENRON OIL & GAS CO.

NBU #345-4E

SECTION 4, T10S, R21E, S.L.B.&M.

T10S, R21E, S.L.B.&M.



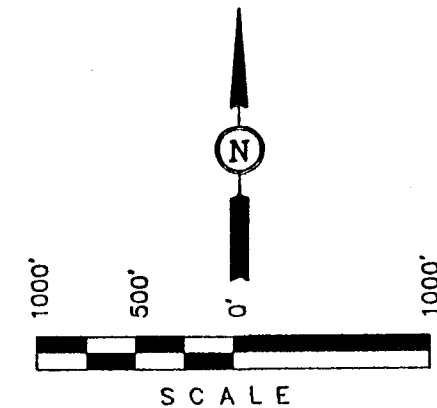
▲ = SECTION CORNERS LOCATED. (Brass Caps)

ENRON OIL & GAS CO.

Well location, NBU #345-4E, located as shown in the SW 1/4 SW 1/4 of Section 4, T10S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Ray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

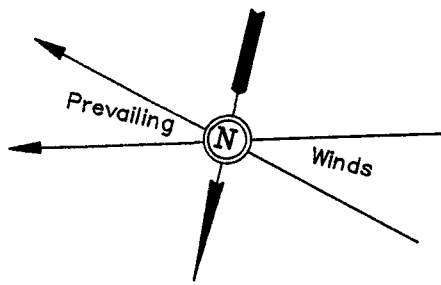
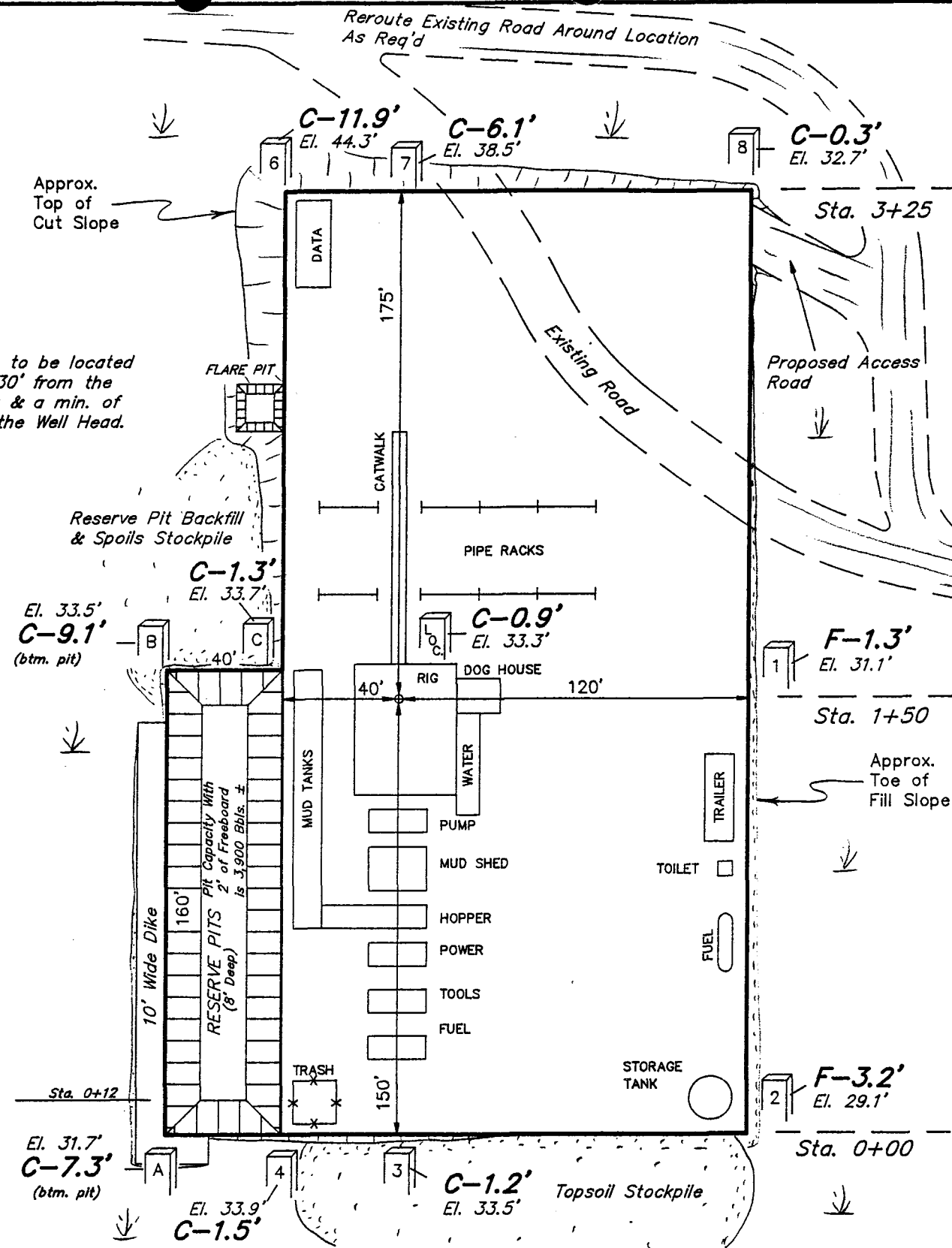
Revised: 3-27-92 T.D.H.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH - 200 EAST
VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 12-11-91
PARTY D.A. K.L. MDA	REFERENCES G.L.O. PLAT
WEATHER COLD	FILE ENRON OIL & GAS CO.

ENRON OIL & GAS CO.
LOCATION LAYOUT FOR
NBU #345-4E
SECTION 4, T10S, R21E, S.L.B.&M.

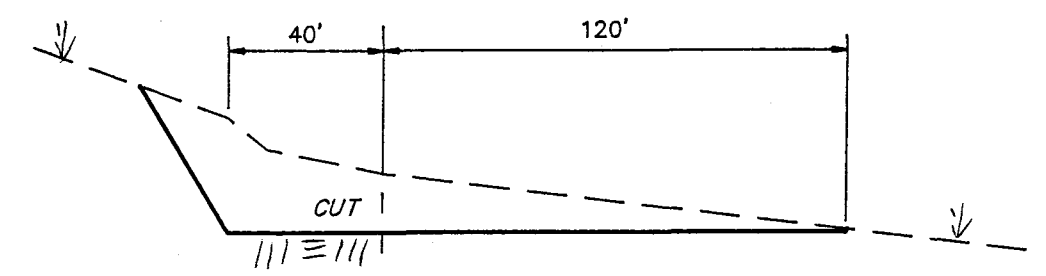
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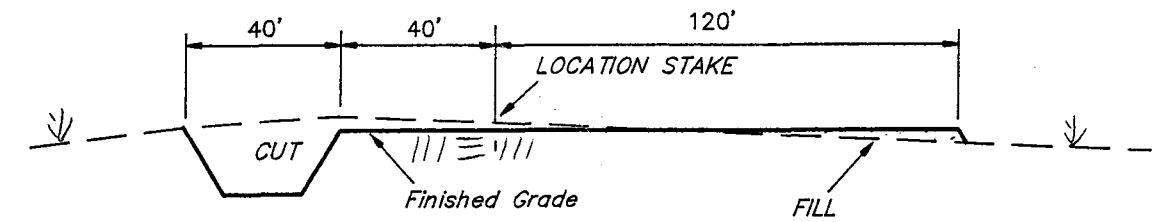
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DATE: 12-12-91
Drawn By: MDA

X-Section
Scale
1" = 50'

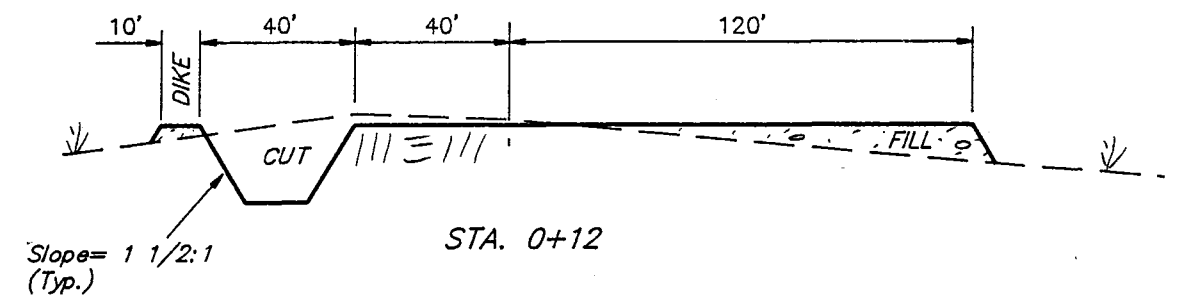
TYP. LOCATION LAYOUT
TYP. CROSS SECTIONS



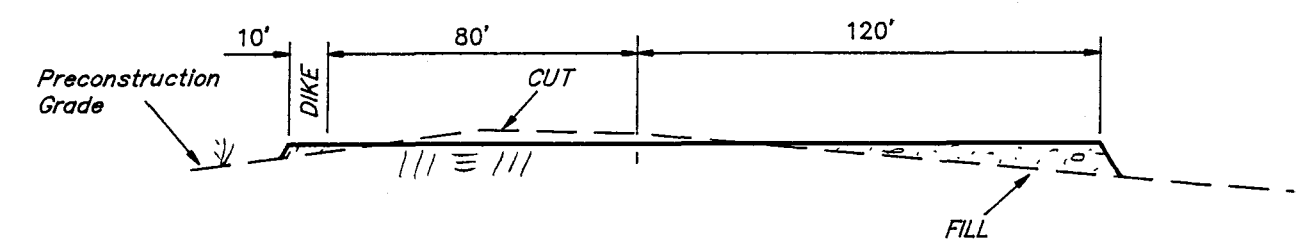
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STA. 1+50



STA. 0+12



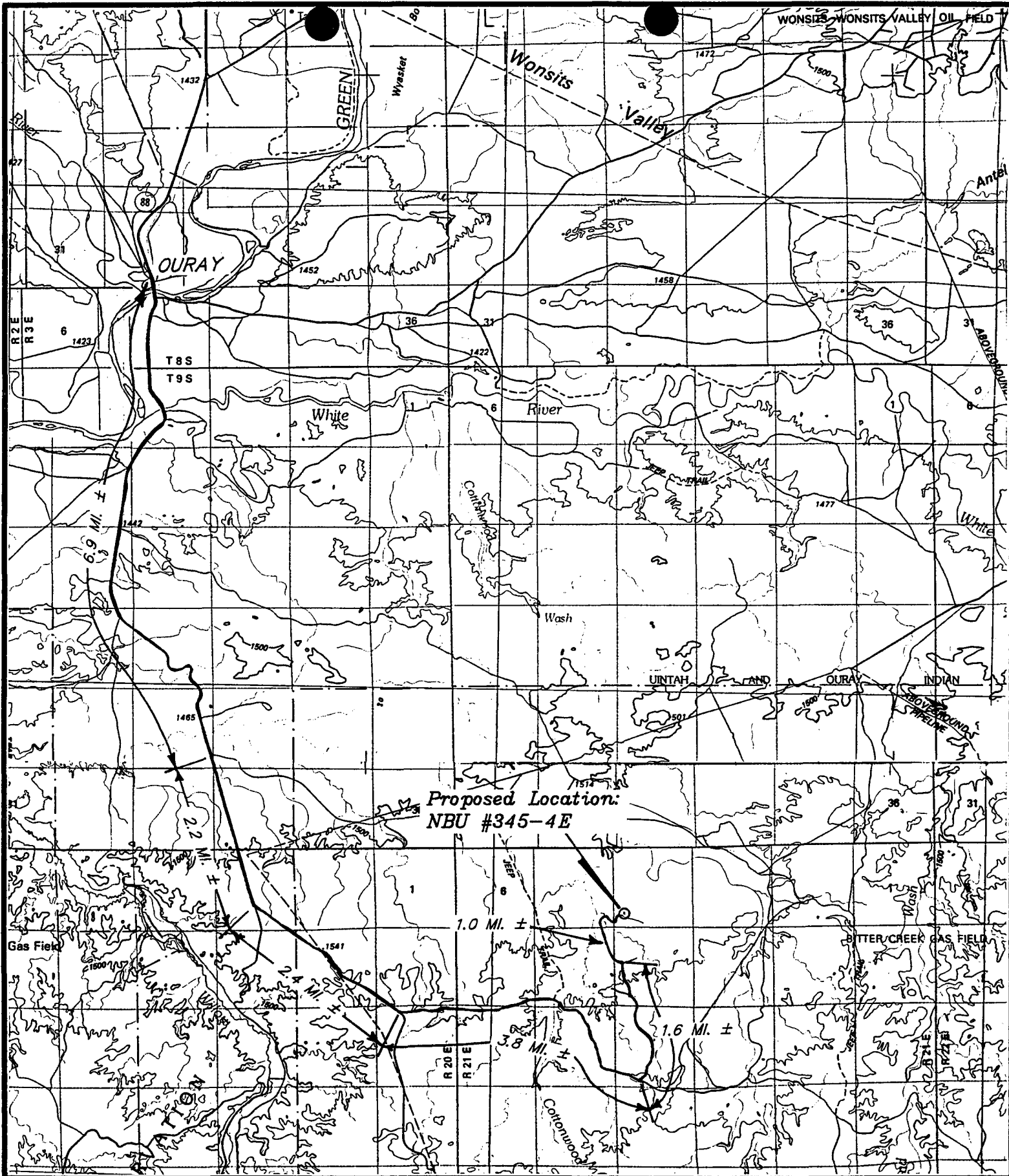
STA. 0+00

APPROXIMATE YARDAGES

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TOTAL CUT	= 4,480 CU.YDS.
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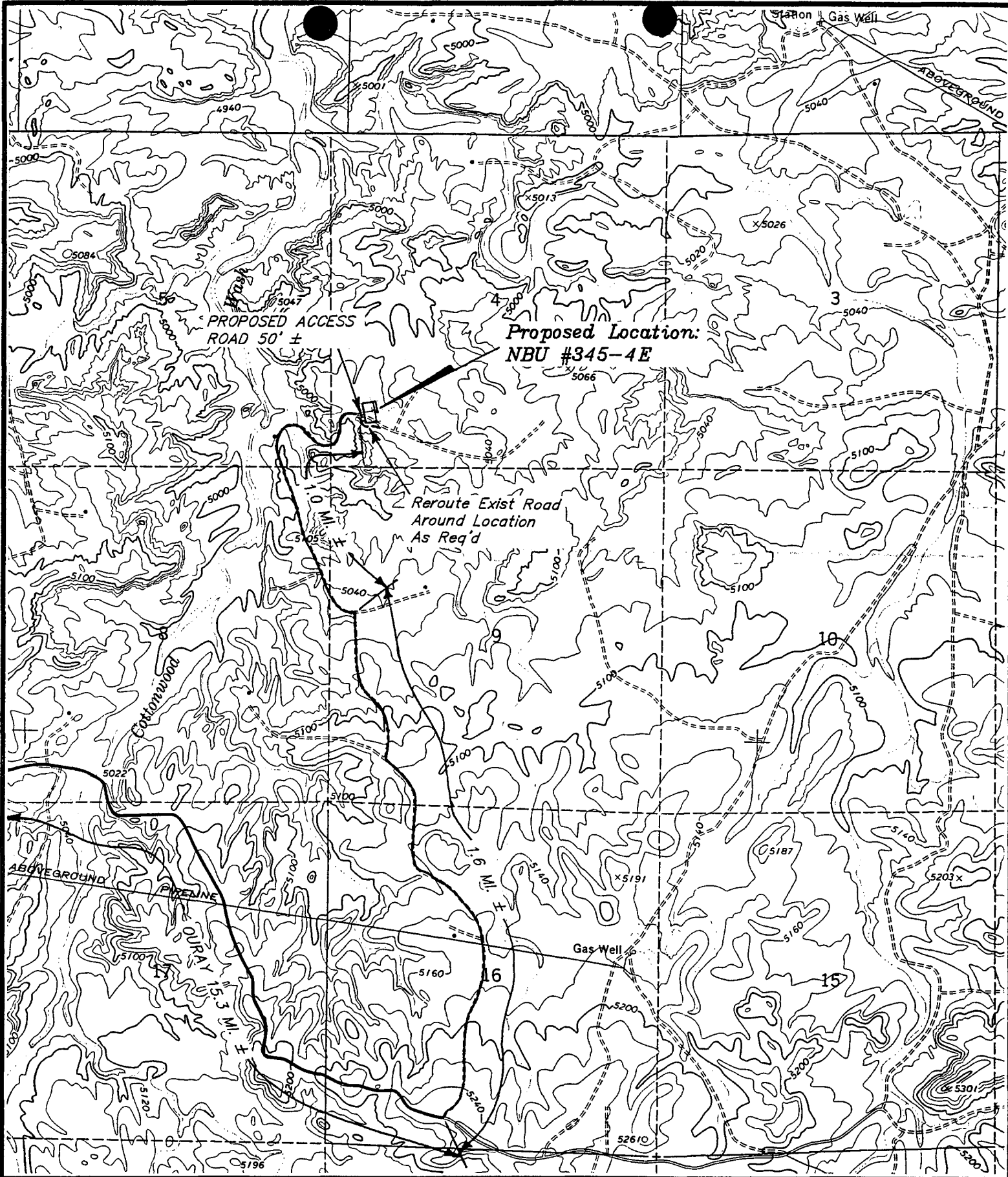
TOPOGRAPHIC
MAP "A"

DATE 12-11-91 MDA



ENRON OIL & GAS CO.

NBU #345-4E
SECTION 4, T10S, R21E, S.L.B.&M.



TOPOGRAPHIC
MAP "B"

SCALE: 1" = 2000'
DATE 12-11-91 MDA



ENRON OIL & GAS CO.

NBU #345-4E
SECTION 4, T10S, R21E, S.L.B.&M.

DATE: 12-11-91 MDA

OPERATOR Enron Oil Gas Co L-0101 DATE 5-5-90

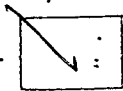
WELL NAME NB 345-4E

SEC S15W4 T 10S R 01E COUNTY Mintah

43-047-30038
API NUMBER

Federal (1)
TYPE OF LEASE

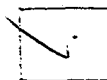
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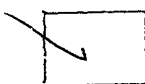
PLAT.



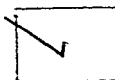
BOND



NEAREST
WELL



LEASE



FIELD
SLBM



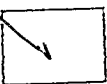
POTASH OR
OIL SHALE

PROCESSING COMMENTS:

Included in 90 PDD approved 4-01-90
Water Permit 49-1501 target ducking
Oil shale area
Designation of operator included in file

APPROVAL LETTER: R615-3

SPACING:

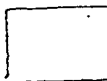


R615-2-3

Natural Buttes
UNIT



R615-3-2



N/A
CAUSE NO. & DATE



R615-3-3

STIPULATIONS:

Oil shale area



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING .

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

May 6, 1992

Enron Oil and Gas Company
P.O. Box 1815
Vernal, Utah 84078

Gentlemen:

Re: Natural Buttes Unit 345-4E Well, 911 feet from the south line, 662 feet from the west line, SW 1/4 SW 1/4, Section 4, Township 10 South, Range 21 East, Uintah County, Utah

Pursuant to Utah Code Ann. § 40-6-18, (1953, as amended), Utah Admin. R. 649-2-3, and Utah R. 649-3-4, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
2. Notification within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R.J. Firth, Associate Director, (Home) (801)571-6068.
6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

Page 2

Enron Oil and Gas Company
Natural Buttes Unit 345-4E Well
May 6, 1992

Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site should be submitted to the local health department. These drilling operations and any subsequent well operations should be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Department of Environmental Quality, Division of Drinking Water/Sanitation, telephone (801)538-6159.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-047-32238.

Sincerely,

A handwritten signature in black ink, appearing to read 'R.J. Firth', is written over a printed name.

R.J. Firth
Associate Director, Oil and Gas

ldc

Enclosures

cc: Bureau of Land Management
J.L. Thompson

WO11

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Enron Oil & Gas Company

3. ADDRESS OF OPERATOR

P.O. Box 1815, Vernal, Utah 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

622' FWL & 911' FSL SW/SW

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

17.90 Miles Southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit line, if any)

622'±

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

906'±

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5032' GR

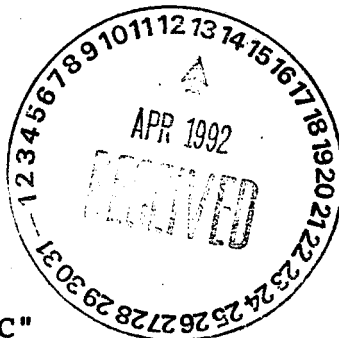
23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	32.3#	240'	125 sx Class "G" & 2% CaCl ₂
7 7/8"	4 1/2"	10.5#	6650'	+ 1/2 #/sx celloflake. 50/50

SEE ATTACHMENTS FOR:

8 Point Plan
Drilling Program
BOP Schematic
Surface Use and Operating Plan
Location Plat
Location Layout
Topographic Maps "A", "B", and "C"



Enron Oil and Gas Company will be the designated operator of the subject well under Nation Wide Bond #81307603.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Linda L. White

TITLE

Sr. Admin. Clerk

DATE

3/30/92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

ASSISTANT DISTRICT
MANAGER MINERALS

APPROVED BY

Handwritten signature

TITLE

DATE

JUL 27 1992

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UT 080 2M 126

Revised November 1990

Date NOS Received: 2/25/92

CONDITIONS OF APPROVAL

APPLICATION FOR PERMIT TO DRILL

RECEIVED

JUL 29 1992

DIVISION OF
OIL GAS & MINING

Company/Operator: ENRON OIL & GAS CORP
Well Name & Number: NBU 345-4E
Lease Number: U-01393B
Location: SWSW Sec. 4 T. 10S R. 21E
Surface Ownership: BLM

NOTIFICATION REQUIREMENTS

- Location Construction - forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well
- Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related Equipment Tests - twenty-four (24) hours prior to initiating pressure tests.
- First Production Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

Plans for Restoration of Surface

The reserve pit will be reclaimed within 90 days from the date of well completion.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Enron Oil & Gas Company Well No. NBU 345-4E
Location SWSW Section 4. T10S, R21E Lease No. U - 01393 - B

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

The special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to if air is used as the principle drilling medium, i.e., if the rig mud pumps are not being utilized while drilling.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale, identified at \pm 2130 ft. If gilsonite is encountered while drilling, it shall be isolated and or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) shall be utilized to determine the top of cement (TOC) and bond quality for the production casing.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Gerald E. Kenczka	(801) 781-1190
Petroleum Engineer	

Ed Forsman	(801) 789-7077
Petroleum Engineer	

BLM FAX Machine	(801) 789-3634
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EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078



IN REPLY REFER TO:

Phone (801) 789-1362

FAX (801) 781-4410 3162
UT08438

August 13, 1993

Attn: George McBride
Enron Oil & Gas Company
P.O.Box 1815
Vernal, UT 84078

Re: Notification of Expiration
Well No. 345-4E *NBU* 43-047-32238
Section 4, T10S, R21E
Lease No. U-01393B
Uintah County, Utah

Dear Mr. McBride:

The Application for Permit to Drill the above-referenced well was approved on July 27, 1992. Since that date, no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

August 30, 1993

Mr. George McBride
Enron Oil and Gas Company
P.O. Box 1815
Vernal, Utah 84078

Dear Mr. McBride:

Re: Well No. NBU 345-4E, Sec. 4, T. 10S, R. 21E, Uintah County, Utah
API No. 43-047-32238

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Manager
Oil and Gas

DME/lcd

cc: Bureau of Land Management - Vernal
R.J. Firth
Well file

WOI196

